

Exhibit C
UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

Monticello, Utah 84535

USFS ①
URADCO
WESTERN OFFICE

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RECEIVED
September 6, 1979



Mr. John F. Baileys
Senior Administrator
Uranium Resources and Development Co.
1229 North 23rd Street
Grand Junction, Colorado 81501

Dear John:

Your amended/supplemental operating plan, dated July 6, 1979, for modifications of the approved Black Beans-Avalanchie 13 mining operation has been reviewed and approved subject to the following stipulations:

1. Water treatment ponds (See attached drawing)
 - a. Excavate hillside on $1\frac{1}{2}$:1 slope. Begin excavation at the break in slope gradient indicated on the drawing as point # 1.
 - b. Move the dam embankment as far uphill as possible. Retain a 3 foot deep ditch between the top of the dam and the $1\frac{1}{2}$:1 slope as indicated on the drawing as point # 2.
 - c. The side slopes of the pond embankment will be 2:1 on the outside slopes and $2\frac{1}{2}$:1 on the inside slopes. The side slopes on the inside of the dam could be as steep as 2:1, however, it is our understanding the pond liner has been manufactured to fit a $2\frac{1}{2}$:1 slope.
 - d. The elevation of the top of the dam on the lower pond will be adjusted from 6720 as shown on the plans to 6725. The plans call for an eight foot deep pond. This depth may be increased to ten feet if desirable.
 - e. Although the elevation of the dam for the upper pond is not as critical, a corresponding raise according to the plans would place that figure @ 6730 for the top of the dam. A two foot freeboard must also be maintained.

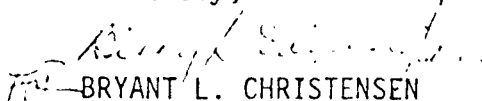
- f. The embankment materials must receive a compaction effort to to 95% Proctor. This includes the pond bottom. Failure to compact the bottom will split the liner when the pond is filled.
2. Reworking of the roads and construction of new roads will involve the minimum width necessary for the safe operation of vehicle and equipment.
3. Areas to be reseeded will use the following seed composition and density: Crested wheat, 2 pounds to the acre; Intermediate wheat, 4 pounds to the acre; and Smooth brome, 4 pounds to the acre; Pubescent wheat, 2 pounds to the acre.
4. All trash and garbage will be stored in a suitable container and hauled off the National Forest.
5. All structures and equipment will be removed and disposed of when the operation ends. The hill will be allowed to return to natural slope and portals will be closed by filling with mine waste rock.
6. All roads will be properly waterbarred and reclaimed.
7. Field latrines will meet Utah State sanitation standards.
8. All generators and similar equipment will have spark arresters meeting Forest Service Specification 5100-A (SAE Standard J-350).
9. Trees that must be taken for excavation or construction of facilities and storage areas will be cut and removed or used as timbers.
10. The waste and soil stockpiles will be formed in such a way as to avoid slumping and migration of materials. An eyebrow ditch must be excavated above the dumps and stockpiles to prevent saturation and possible failure.
11. A gate at the entrance to the mine property is permissible, provided that it does not exclude Forest Service personnel on administrative business or hinder cattle and wildlife. Cable or chain gates are prohibited.
12. Vehicular traffic should be aware of other traffic, cattle and wildlife at all times. Vehicle speed should not exceed 25 miles per hour on Forest Service roads.

13. Vent holes will have a culvert protruding at least 24 inches above the ground surface and a screen installed over the opening. The culvert will be removed and the vent holes plugged as to Forest Service Specifications.
14. Work involving additional surface disturbance will be covered by a supplemental operating plan. Modifications to the operating plan must be approved by the Forest Service.
15. Fire suppression equipment will be available to all personnel.
16. First aid supplies will be available to all personnel.
17. Travel and hauling on South Cottonwood road is to be avoided when the road bed is saturated or defrosting.
18. Surface disturbing activities shall be supervised by a URADCO representative to assure that work is in accordance with the approved operating plan.
19. The Forest Service will be notified prior to the beginning of rehabilitation work.
20. A fence must be constructed around the water treatment ponds as a safety precaution.
21. A road use permit (application enclosed) must be obtained from the Forest Service and bond posted before ore hauling can take place.
22. Development of the spring may not begin until the submitted Special Use application is approved by the Forest Service and fees posted.

The reclamation bond of \$5,800.00 has been received and approved by the Forest Service. Enclosed is the certified check submitted to the Forest Service prior to receipt and approval of the Surety Bond Number 2869438 through the Safeco Insurance Company of America.

Development of the site may begin. If you have any questions please contact Carter Reed, District Geologist, or myself.

Sincerely,


BRYANT L. CHRISTENSEN
District Ranger

Enclosure

